

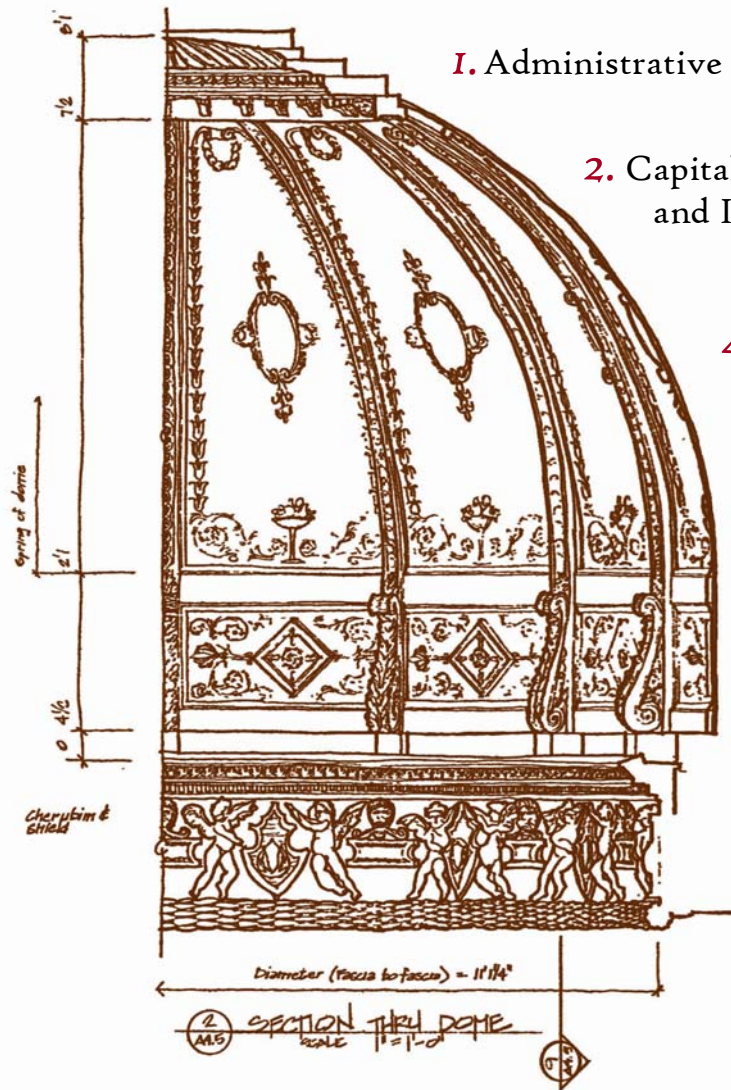


STATE of UTAH

Division of
Facilities Construction
and Management

Performance Report
2004

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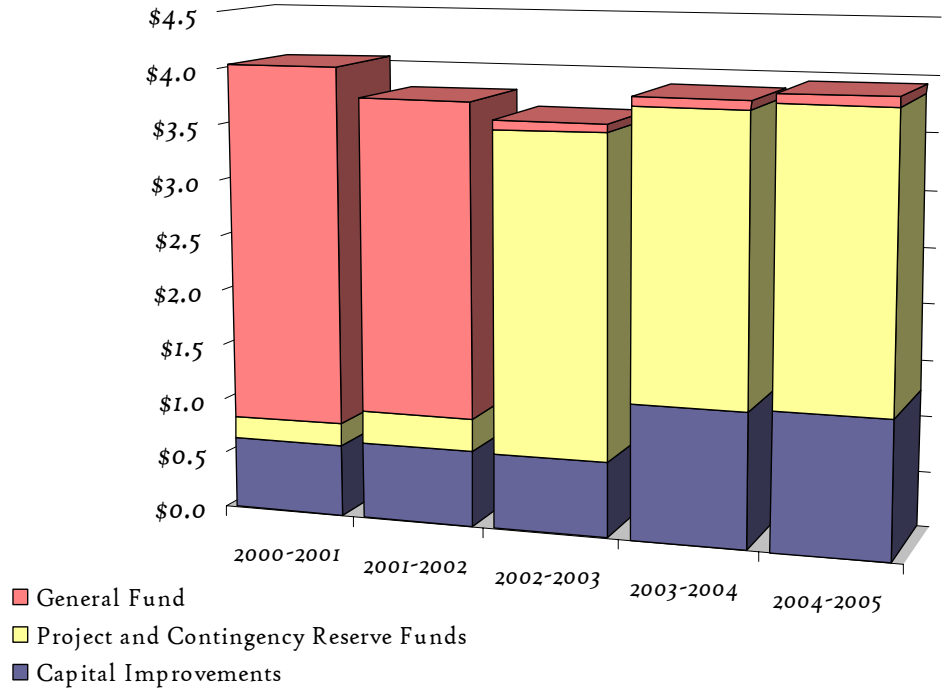
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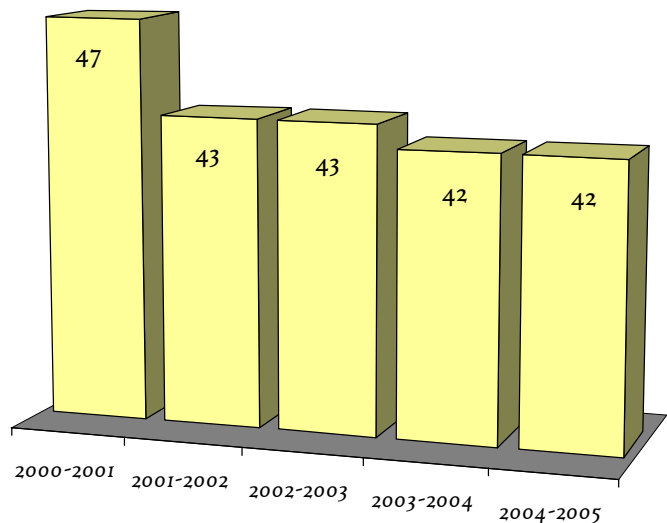
I. Administrative Budget Overview: Funding and Staffing

Authorized Administrative Budget

Millions



Administrative Budget FTE's

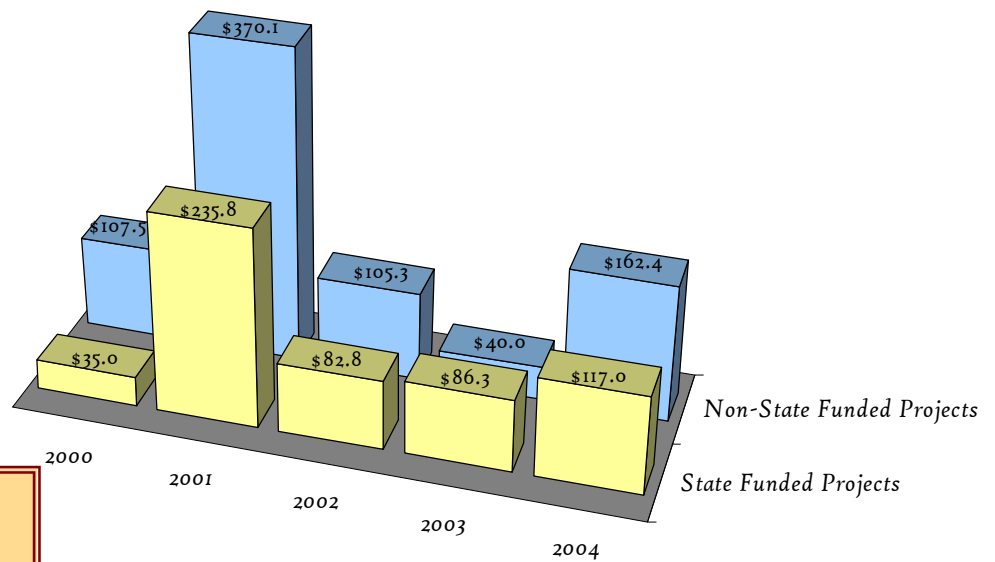


For the past three years, DFCM has operated on funds provided by savings in contingency and project reserves. General funds are needed to offset current construction market instability.

While workload remains relatively consistent, a diminished staff has achieved efficiency and improved quality.

2. Capital Development and Improvement

**Capital Development Funding
Authorized in Each Legislative Session**



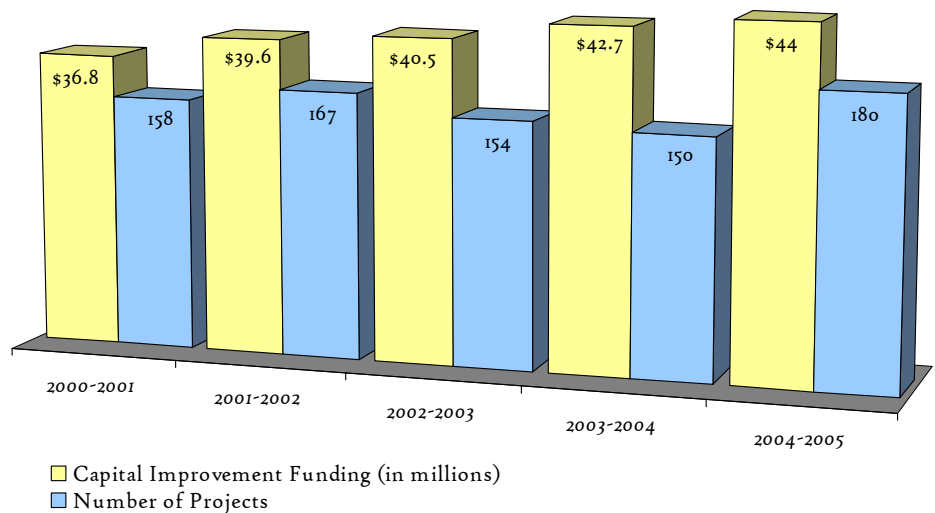
The Capital Development group consists of 8 employees, including project managers. The average number of projects per project manager is 12.

Funding for Non-State Funded Projects comes primarily from donations, federal funds and higher education revenue bonds and auxiliary revenues. These projects frequently take longer to get underway while the funding is assembled.

Now that the State's budget shortfalls have ended, state statute calls for capital improvement projects to be funded at \$53,632,100, which is 1.1% of the replacement value of state facilities. The above funding history reflects a 0.9% funding level.

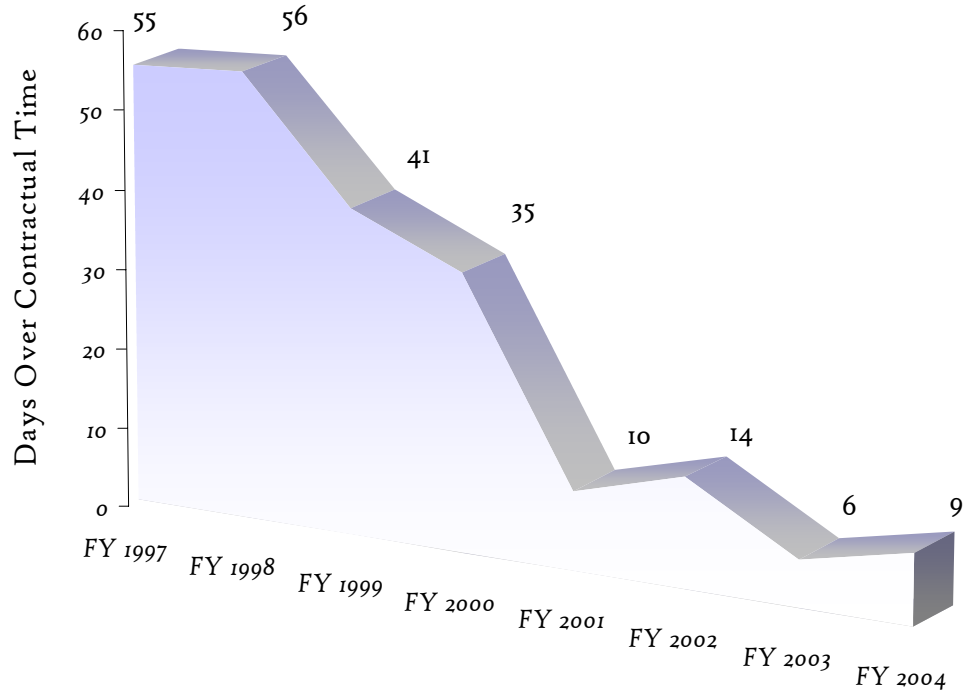
The Capital Improvement group consists of 12 employees, including 10 project managers. The average number of projects per project manager is 19.

Capital Improvement Projects



3. Capital Development and Improvement

Average Completion Time for DFCM Projects



DFCM has improved the quality of contractors building state facilities by refining its procurement methods to provide incentives for contractors to provide quality work and complete projects on time.

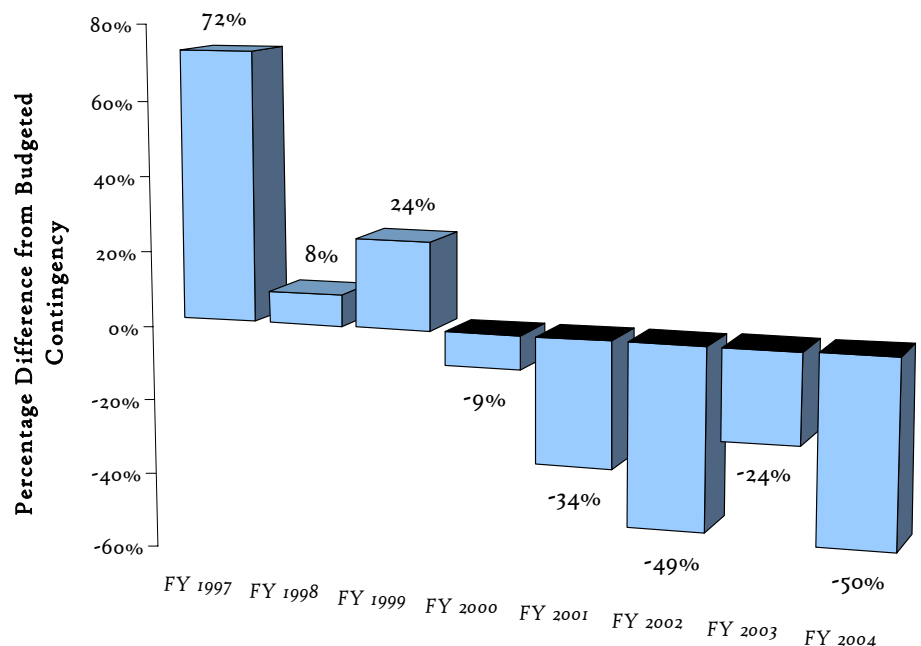
A recently completed legislative audit found that substantial improvement had been made over the past few years in DFCM's management of construction projects. It found that DFCM is using the various project delivery methods appropriately.

DFCM refocused its efforts to provide proactive guidance on code requirements rather than addressing issues during construction.

DFCM has achieved greater cost control by changing procurement and project delivery methods resulting in substantial savings in contingency budgets.

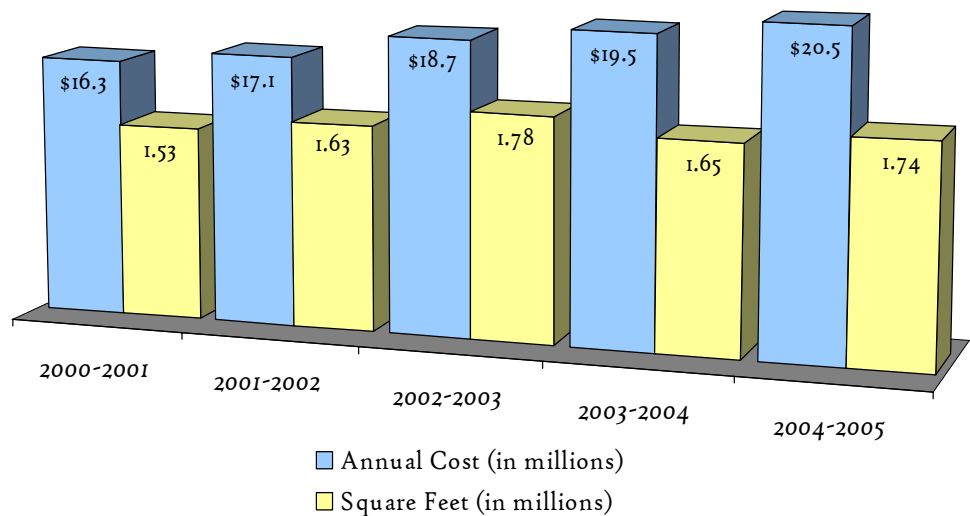
DFCM worked with representatives of the construction industry who had conflicting interests to develop a more comprehensive and effective process for resolving disputes. This process allows subcontractors to bring disputes to the State if they cannot resolve them with the general contractor.

Expenditures from Contingency Reserve as a Percentage of Amount Budgeted for Contingency



4. Real Estate Group

DFCM Building Leases



The Real Estate Group, consisting of five employees, administers the leasing needs for all State entities except Higher Education and Courts. This group also manages real property transactions and issues for all state agencies except UDOT, Natural Resources, and Public Education.

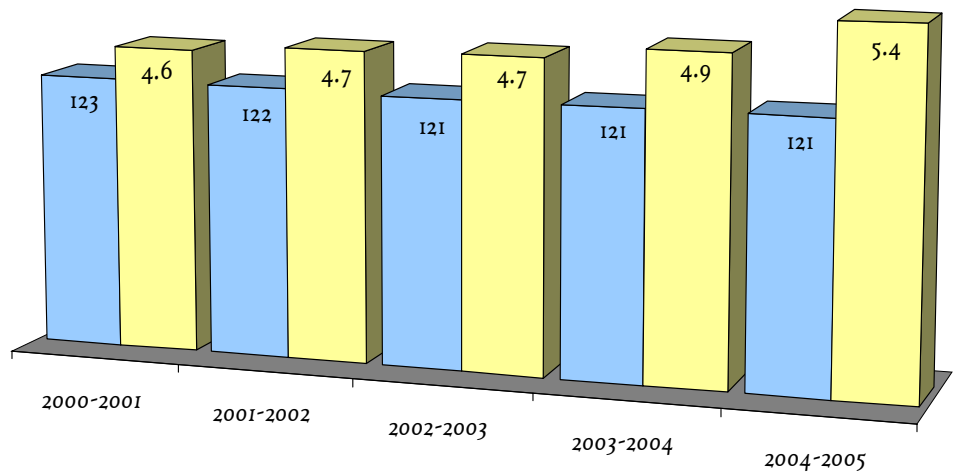
DFCM's Real Estate Group currently manages over 305 building leases for over 1.74 million square feet of building space and 34 ground leases for more than 283 acres of ground, with an annual cost of approximately \$20.5 million dollars.

Each Commercial Real Estate Specialist administers 100 leases or more, renewing or replacing 20 to 30 leases each year.

The average rental rate for a full service lease for general office space for the State of Utah (statewide) is \$14.99 per square foot.

5. Facilities Management Group

Facilities Management Group
Internal Service Fund Activity



■ FTE Employees
■ Space Maintained (in millions sq. ft.)

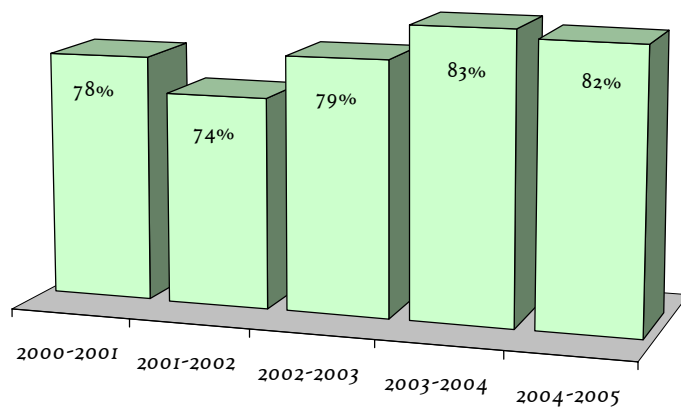
The Facilities Management Group is maintaining more space without increasing staffing. The Facilities Management Group provides building operation and management services to state agencies in:

- 50 general office buildings
- 16 courthouses
- 7 historical buildings
- 5 laboratory buildings
- 36 liquor stores
- 18 National Guard armories
- 9 other facilities.

The Facilities Management Group developed web-based customer information which provides customers current access to maintenance costs and other information related to their facilities.

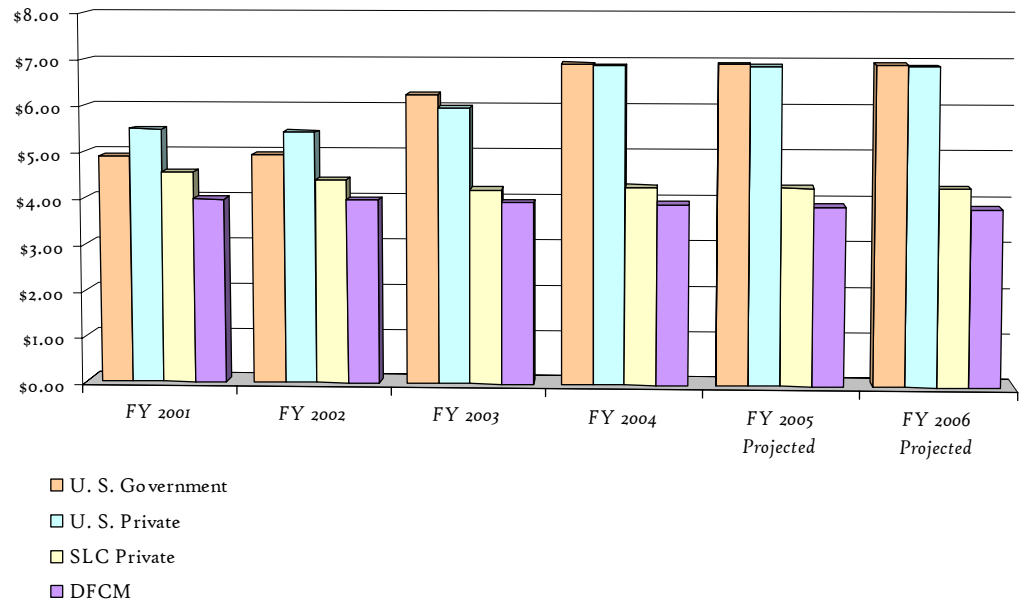
An annual customer survey conducted among the agencies served by the Facilities Management Group indicates that there has been a high level of customer satisfaction the past several years.

Customer Service Ratings



6. Facilities Management Group

DFCM Operation & Maintenance Rate Comparison

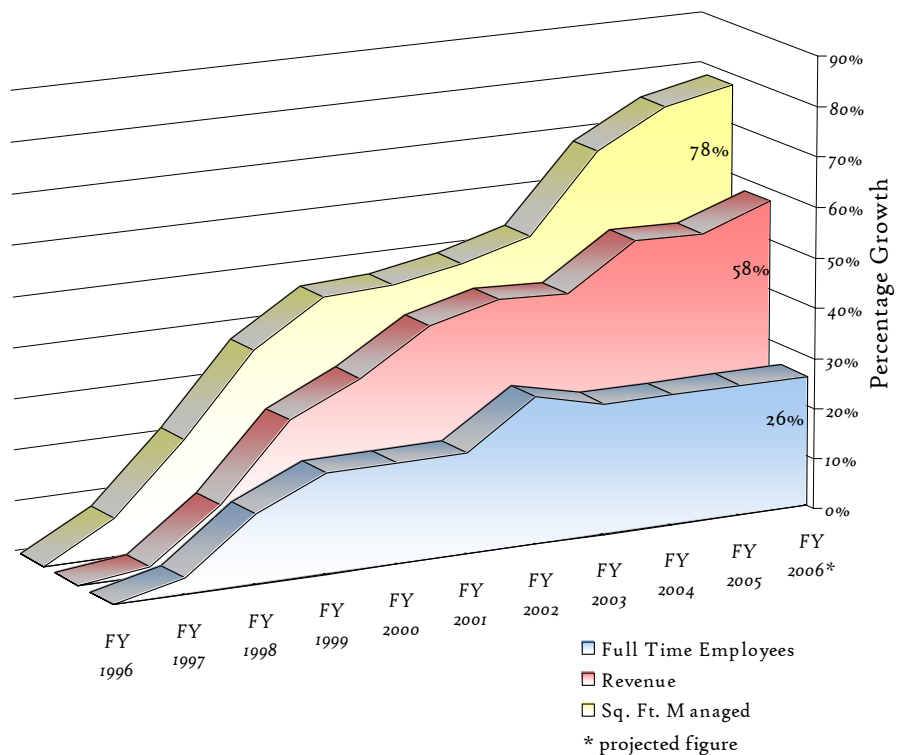


DFCM Internal Service Fund Growth

DFCM's average cost per square foot for O&M continues to be significantly less than comparable costs reported by BOMA. Property taxes and real estate marketing costs were removed from BOMA data to achieve a consistent comparison.

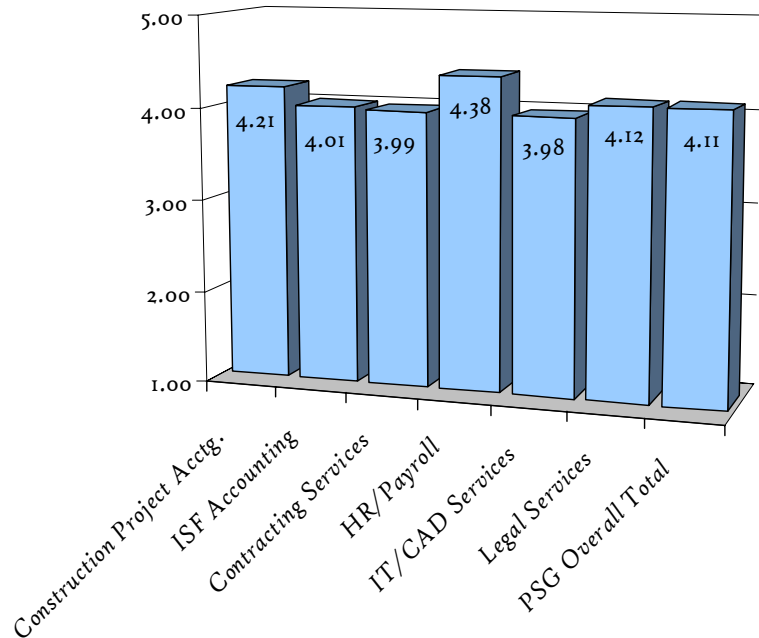
Continual implementation of energy and water conservation measures to reduce consumption has allowed DFCM to absorb most of the utility rate increases over the past few years within existing funding levels.

Since FY 1996, the number of Facilities Management Group FTE's have increased by only 26% while space maintained has increased by 78%.



7. Professional Services Group

Professional Services Group 2004 Customer Service Survey Section Totals



The DFCM Professional Services Group provides services to fellow DFCM staff members, as well as the customer agencies, institutions, and other entities which DFCM works with. The Professional Services Group is made up of 23 employees, working in five customer service areas: accounting, contracting services, human resources, IT/CAD services, and legal services.

A recently completed legislative audit confirmed that DFCM pays its contractors in a timely fashion, on average in 13 days.

Several years ago, DFCM purchased and implemented a comprehensive facilities management software called Facility Focus. DFCM acquired the rights to extend this software to other state entities at a cost that is substantially lower than they would have incurred on their own. DFCM has assisted 12 other agencies and institutions in implementing this system for their own facility needs.

The above customer service survey was presented to fellow DFCM staff members for their input. Questions were asked to staff members on each of the service areas mentioned above. The scoring is based on a 4 for the respondent agreeing that the service is being done well, and a score of 5 if they strongly agree. This is the first time this type of survey has been performed on these service areas of DFCM. This survey will be used as a baseline for future surveys of staff members, as well as our customer agencies and institutions.

8. Accolades

“Most Cost Effective Operations and Maintenance Program”
when compared to seven other “Best Practice
States” (Louisiana Legislative Auditor, 2004)

Governor’s Technology Transfer Award
April, 2003
for statewide implementation of the
Facility Focus program.

Dolores Dore Eccles Fine Arts Center
Dixie State College
Layton Construction
GouldEvans Associates

Intermountain Contractor
Best of 2004
Outstanding Architectural Design
Outstanding Higher Education Design
Outstanding Public Project Design Silver Award



Utah Fieldhouse of Natural History
Hughes General Contractors
ajc architects

**Utah Masonry Council
and AIA Utah**
2004 Excellence in Masonry Design
Merit Award

9. Accolades

**Association of Professional
Energy Managers**
2004 Energy Champion Award

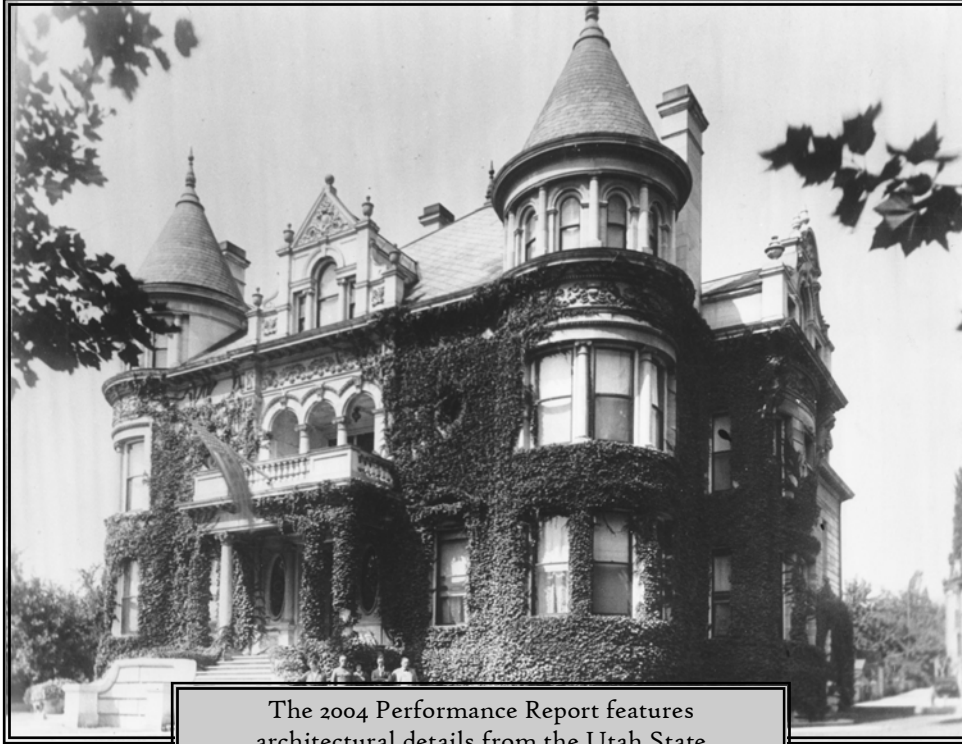


Recognition by the U.S. General Services Administration
in its publication, "Best Practices in Real Property
Management in State Government" (March 2003) for DFCM
processes in facilities management, construction
management, and real estate.



Utah Valley State College
Wasatch Campus First Building
Sahara, Inc.
Gillies Stransky Brems Smith, PC

Utah Masonry Council and AIA Utah
2004 Excellence in Masonry Design
Best of Show Award



The 2004 Performance Report features architectural details from the Utah State Governor's Mansion. The Division of Facilities Construction and Management coordinated the restoration of the Governor's Mansion in 1993 and currently manages this historic treasure.

The architectural details are the work of Max J. Smith, AIA, project architect for the restoration. The above image of the Governor's Mansion is from the Utah State Historical Society's collection.

Division of Facilities Construction and Management

4110 State Office Building
Salt Lake City, Utah 84114
(801) 538-3018 telephone
(801) 538-3267 facsimile
<http://dfcm.utah.gov>